

## MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Special Meeting

July 21, 1971  
5:00 P.M.

COUNCIL CHAMBER, CITY HALL

The meeting was called to order with Mayor Butler presiding.

## Roll Call:

Present: Councilmen Dryden, Nichols, Mayor Pro Tem Love, Councilmen  
Lebermann, Friedman, Handcox, Mayor Butler  
Absent: None

Mayor Butler announced this was a Special Meeting called for the purpose of authorizing and appropriating to the Austin Transit Corporation \$15,350.25 for transit service during the month of May in accordance with the existing operating contract approved by the City Council.

Mr. Lynn Andrews, City Manager, introduced officials from the American Transit Corporation: Mr. Hugh Ashby, Vice President; Mr. Tom Monroe, Accounting Advisor; Mr. Arnold Berkhart, Vice President and Regional Manager; and Mr. Clyde Malone, Manager, Austin Transit Corporation.

Mr. Ashby said he had understood there was concern about charges that had not been applied which might come in later, increasing the amount in the contract. At this time, he said, the condition would be just the opposite, because of moving expenses, and fewer assets on January 1st than would have been normally. Mr. Ashby reviewed the several facets of the financial statement and answered questions from the Council members regarding particular items. He filed the "Austin Transit Company's Statement of Income - Three Months Ending June 30, 1971" showing a \$33,890.00 loss. The June report had been filed with the City but had not been audited. Mayor Pro Tem Love asked for copies so that the Council would have all benefit of the figures.

In a general discussion, Mayor Butler asked for clarification of the 3% gross revenue (\$6,000) paid to the parent company. Mr. Ashby explained the parent company received 3% of the gross revenue from all of its companies; and from this amount American Transit purchased the vehicles, registered them, covered the depreciation, interest, and insurance. No part of the 3% is used for rent or payroll. Mrs. Edith Buss likewise inquired about the 3%. Mayor

Pro Tem Love asked for an explanation of "Sundry" revenues, \$400.00. Mr. Ashby listed the sale of scrap equipment, rent, and emergency repairs on vehicles other than those of Austin Transit's.

Mayor Butler inquired hypothetically if the Company should add new tires, tubes, recondition all buses, and then not renew the contract, what protection would the City have to prevent the Company from having almost a new fleet at the City's expense when it left. It was pointed out the Company leased tires and tubes on a mileage contract. As to overhauling the fleet, the Company could not do that and give service simultaneously. Mr. Ashby stated he could give only his word that they would not repair the fleet and leave, as they are interested in keeping this contract for a long time. He expressed a willingness to meet with the City Attorney to see if some document could be drawn up that would be satisfactory as to some assurance of the Company's intent, and such document filed with the contract. One of the officials of American Transit Corporation suggested that a liaison be designated to work with the bus company and the Council.

Mayor Pro Tem Love moved that the Council authorize and appropriate to the Austin Transit Corporation \$15,350.25 for transit service during the month of May in accordance with the existing operating contract approved by the City Council. The motion, seconded by Councilman Nichols, carried by the following vote:

Ayes: Councilmen Dryden, Nichols, Mayor Pro Tem Love, Councilmen  
Lebermann, Friedman, Handcox, Mayor Butler  
Noes: None

#### CHILD CARE SPECIAL PERMIT

Mayor Butler brought up the special permit recently granted for a day care center for Mrs. Ruby Wright, stating information provided to the Council was that Mrs. Wright could care for 24 students without a permit. Councilman Friedman stated it was his understanding that 24 children could be cared for, 12 to each residence; but now it turns out only 12 could be cared for. Being under the impression she was entitled to 24, he figured 30 was the fair number.

The City Manager stated 12 children could be cared for in a home as an accessory use. She could have 12 children in the house in which she lives, and she could keep 12 next door if she employed a full-time governess. Mayor Butler said a State permit in each name would be required, and each structure would stand on its own merits.

Councilman Friedman moved that the Council grant a re-hearing for a day care center. The motion, seconded by Mayor Pro Tem Love, carried by the following vote: (2:00 P.M., July 29, 1971.)

Ayes: Councilmen Dryden, Mayor Pro Tem Love, Councilmen Lebermann,  
Friedman, Handcox, Mayor Butler  
Noes: Councilman Nichols

#### SKI JUMP - TOWN LAKE

Mayor Butler stated the Council had a recommendation from the City Manager regarding the ski jump in Town Lake. After discussion, Councilman

Friedman moved that the Council instruct the City Manager to proceed along the lines he recommended to the Council in that the ski jump be removed from the Lake. The motion, seconded by Councilman Nichols, carried by the following vote:

Ayes: Councilmen Dryden, Nichols, Mayor Pro Tem Love, Councilmen  
Lebermann, Friedman, Handcox, Mayor Butler  
Noes: None

#### APPOINTMENT - TAX BOARD AND TAX COMMISSION

Mayor Butler pointed out the Board of Equalization should be appointed as soon as possible, and noted a letter from Mr. John Harrison, Sr., who felt he should resign due to illness. Councilman Nichols inquired if the notices were to be mailed out prior to conferring with the Tax Commission, as one of the reasons to form the Commission was to have them confer with the taxing authority and look at the tax rolls before the notices were mailed out. Mayor Butler stated the valuations under consideration were those as of January 1st on the 1970 rolls. It was suggested that the City Attorney bring to the Council the timetable on the taxing procedures. Also suggested was the appointment of the Commission.

#### PETITION - INITIATIVE

Councilman Nichols asked the City Attorney about the status of the Initiative Petition regarding the Charter amendment. Mrs. Edith Buss stated the petition had not been filed officially, as when it is filed there is an automatic timetable to follow toward calling the election.

#### COMMITTEE APPOINTMENTS - WEDNESDAY, JULY 28TH

Mayor Pro Tem Love asked that appointments be made next week in Executive Session. After discussion, the Council set Wednesday, 5:00 P.M., for the Study Session and decided to adjourn and go into Executive Session, giving special note to the Tax Commission, Charter Commission, Board of Equalization, and Planning Commission.

In this connection, Councilman Dryden asked the press to let it be known that these appointments are going to be made, and that the citizenry be asked to be of assistance in accepting the appointment.

#### ADJOURNMENT

At 9:00 P.M. Mayor Pro Tem Love moved that the meeting adjourn. The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Dryden, Nichols, Mayor Pro Tem Love, Councilmen  
Lebermann, Friedman, Handcox, Mayor Butler  
Noes: None

APPROVED:

*Ray Butler*  
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Mayor

ATTEST:

*Edna Woodley*  
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City Clerk